

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PARCEL RETURN SERVICE CONTRACT 5 (MC2014-4)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-4

**USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 3,  
WITH PORTIONS FILED UNDER SEAL**  
(February 7, 2018)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 3, issued February 5, 2018. A response was due February 7, 2018. The request is reprinted verbatim in the attached, and is followed by the Postal Service's response. One Excel file associated with the response is being filed under seal. The Postal Service incorporates by reference the original application for non-public treatment filed in this docket for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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February 7, 2018

## USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 3

### **REQUEST:**

Please confirm that the prices shown in the Amendment differ from those approved by the Commission in Order No. 4053, as adjusted on November 3, 2017, in accordance with the annual adjustment provision in section I.F.5 of the contract. If confirmed, please submit cost and revenue data and a certified statement as required by 39 C.F.R. § 3015.5. If not confirmed, please explain.

### **RESPONSE:**

Confirmed. The requested cost and revenue data are being filed under seal. A public version of the cost and revenue data file is included as an associated Excel file, and the certified statement is attached in PDF.

**Certification of Prices for Amendment to  
Parcel Return Service Contract 5**

I, John P. Kelley, Manager (A), Cost Attribution, Finance Department, am familiar with the prices and terms for the amendment to Parcel Return Service Contract 5. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on in the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**John P  
Kelley**

Digitally signed by John P Kelley  
DN: cn=John P Kelley, o=Cost Attribution, ou=Finance,  
email=John.P.Kelley@usps.gov, c=US  
Date: 2018.02.07 16:04:15 -0500

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John P. Kelley